

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

85 FLATBUSH RHO MEZZ LLC, *ET AL.*¹,

Case No: 20-23280-shl

Debtors.

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**ORDER AUTHORIZING ENTRY
INTO PREMIUM FINANCING AGREEMENT**

Upon the motion (the “Motion”) (ECF Doc. No. 289)² of the Debtors for entry of an order authorizing Hotel to enter into an insurance premium finance agreement with First Insurance Funding (“First Insurance”), which agreement was subsequently amended (ECF Doc. No. 310) (the “Amended Agreement”); and upon the record of the hearing held on August 9, 2022 and the representations placed on the record in support of the Motion; and TH Holdco LLC having filed a reservation of rights with respect to the Motion (ECF Doc. No. 305) which was resolved as set forth on the record of the hearing; and the Court having found that service of the Motion and notice of the Motion were provided in compliance with Fed. R. Bankr. P. 4001(c); that Hotel is unable to pay for the insurance coverage to which the Amended Agreement pertains in the ordinary course of business under 11 U.S.C. §364(a), and has been unable, after reasonable effort, to obtain unsecured financing to Hotel for such coverage under 11 U.S.C. §364(b), and that First Insurance proposes to extend financing to

¹The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: 85 Flatbush RHO Mezz LLC (6184); 85 Flatbush RHO Hotel LLC (5027); and 85 Flatbush RHO Residential LLC (2261).

²All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Motion.

the Debtor pursuant to the Amended Agreement in good faith within the meaning of 11 U.S.C. §364(e); and other good cause appearing to me therefor, it is thereby

ORDERED that:

1. The Motion is granted and Hotel is hereby authorized to enter into and to perform under the Amended Agreement and to execute and deliver such documents and amendments to the Amended Agreement that Hotel and First Insurance may deem reasonably necessary or desirable to carry out the Amended Agreement.

2. Pursuant to section 364(c) of the Bankruptcy Code and the terms of the Amended Agreement, Hotel is authorized to grant to First Insurance a first priority security interest (the “Lien”) in the Policy including (but only to the extent permitted by applicable law), Hotel's right, title and interest in the Policy and all amounts which are or may become payable to the Debtor under the Policy, including, any unearned premiums, dividend payments, and all payments on account of a loss which results in the reduction of any unearned premium under the Policy.

3. First Insurance’s Lien shall be deemed to be duly perfected, and no notice, filing, recordation or other act in accordance with any applicable local, state, federal or common law statute, rule or regulation shall be necessary to create, perfect or enforce such liens and security interests.

4. To the extent there is an inconsistency among this Order, the Application and the Amended Agreement, the terms of this Order shall govern.

Dated: White Plains, New York
August 22, 2022

/s/ Sean H. Lane
HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE